FIFTEENTH ANNUAL

REPORT

PRINCE EDWARD ISLAND

CROP INSURANCE AGENCY

PHONE 892-2095

PRINCE EDWARD ISLAND

CROP INSURANCE AGENCY

The Honourable Prowse Chappell
Minister of Agriculture & Forestry
Dept. of Agriculture & Forestry
P.O. Box 2000
Charlottetown
Province of Prince Edward Island

Dear Sir:

I have the honour of submitting herewith the Fifteenth Annual Report of the Canada-Prince Edward Island Crop Insurance Agency.

This report includes a brief summary of operations and the audited Financial Statements for the fiscal year ending March 31, 1982.

Respectfully Submitted,

Ronald B. McInnis
Manager
Prince Edward Island
Crop Insurance Agency

FIFTEENTH ANNUAL REPORT

OF

THE CROP INSURANCE AGENCY OF P.E.I.

FOR FISCAL YEAR ENDING MARCH 31, 1982

BOARD MEMBERS

Edward Fitzpatrick	-	Chairman
Raynall MacNeill	-	Secretary
Elmer Jay	-	Member
Fred McCardle	-	Member
George Walsh	-	Member

OFFICE STAFF

Ronald B. McInnis	-	Manager
Jean Morrison	-	Accountant
Gloria Dalziel	-	Secretary
Scott MacPhail	-	Technician

FIELD STAFF

Holland Cahill	-	Tignish
Clarence Ross	-	Bonshaw
John Fitzpatrick	-	Sherwood

The Prince Edward Island Crop Insurance Agency is a Crown Corporation of the Province of Prince Edward Island under the authority of the Minister of Agriculture and Forestry.

OBJECTIVES OF THE AGENCY

(a) The objectives of the Agency are to make available to Prince Edward Island Farmers, a comprehensive all-risk Crop Insurance Plan, which in years of crop losses will return to the farmer his cost of production.

(b) Offer protection against crop loss caused by all natural hazards from date of seeding to the final harvest date.

RESPONSIBILITIES

1. Administration of the Crop Insurance Act.
2. Administration of Crop Insurance Plans, established by regulations, including the function of selling, underwriting, claims adjusting and accounting.
3. Conducting surveys and research programs relating to Crop Insurance.
4. Train staff to maintain a high degree of efficiency of operation.

FINANCIAL PARTICIPATION

The Government of Canada provides financial assistance to the Canada-Prince Edward Island Crop Insurance Program by contributing fifty percent of the total premium required each year. The Federal Government's contribution to this program totalled $1.1 million for 1981-82.

The Government of Prince Edward Island contributes all of the administration costs, totalling approximately $176,700.00 for the year 1981-82.

INSURABLE CROPS

	PLANS AVAILABLE	COVERAGE AVAILABLE	UNIT PRICES
(1)	Potatoes	75%	3¢ or 3.5¢ or 4¢ or 4.5¢ per cwt.
(2)	Spring Grains & Field Peas	75%	5¢ or 6¢ or 7¢ per pound
(3)	Tobacco	71%, 74%, 77% or 80%	90% of the last 2 years average price
(4)	Rutabagas	80%	$1.15 per bushel
(5)	Corn	75%	$12.00 per ton
(6)	Processing Peas	$220.00 per acre	-
(7)	Strawberries	Up to $1200.00 per acre	
(8)	Broccoli	80%	21.15¢ per pound
	Brussel Sprouts	80%	21.37¢ per pound
	Cauliflower	80%	19.46¢ per pound
	Cabbage	70%	$2.50 per bushel

1981 CROP CONDITIONS

Spring came early in 1981 with many acres of potatoes, spring grains and rutabagas seeded in April. The early spring weather continued and the seeding of all crops was finished in early June.

The weather conditions held and the summer continued warm with enough rainfall to produce the highest yielding crops on record.

Many tobacco growers reported yields of over 2,000 lbs. per acre with one grower averaging over 2400 pounds.

Harvesting of grain and early varieties of potatoes began in late July and actual yields of over 300 cwt. per acre of potatoes were quite common, barley yields were also excellent across the Island.

The rains came in early September and as a result late maturing cereal crops such as opal wheat and vernon wheat were harvested with a high percent of moisture and had to be sold to the Elevators as feed.

Harvesting and storing of late varieties of potatoes began by September 20th and growers reported excellent yields and quality in all varieties.

The wet weather in September was responsible for an infestation of grubs in our brussel sprouts and as a result 80% of our crop had to be abandoned.

The 1981 crop year, was from the point of view of the Crop Insurance Agency an excellent year with near perfect weather conditions and a higher than average yield in most of our insured crops. The Agency recorded its best year ever.

1981 CROP SUMMARY

CROPS	CONTRACTS	ACRES	PREMIUM	COVERAGE
POTATOES	231	26,651	1,679,421	16,241,086
GRAIN & FIELD PEAS	151	16,434	156,612	1,108,237
TOBACCO	61	3,948	274,167	5,092,848
CORN	14	364	2,754	36,139
RUTABAGAS	38	180	11,384	76,409
COLE CROPS*	43	404	23,540	363,748
STRAWBERRIES	12	104	6,221	76,685
PROCESSING PEAS	1	45	1,301	9,900
TOTALS	551	48,152	2,155,566	23,006,599

* Broccoli
Brussel Sprouts
Cauliflower
Cabbage

CANADA - P.E.I. CROP INSURANCE AGENCY

DATES TO REMEMBER

CROP	DEADLINE FOR APPLICATIONS	FINAL SEEDING DATE	FINAL HARVEST DATE
POTATOES	May 20	SEBAGO - June 12 RUSSETS - June 12 OTHERS - June 20	Oct. 24
TOBACCO	May 20	June 22	Sept. 28
GRAINS	May 20	June 12	Oct. 10
FIELD PEAS	May 20	June 12	Oct. 10
CORN	May 20	June 20	Oct. 20
RUTABAGAS	June 1	July 4	Oct. 31
PROCESSING PEAS	June 1	July 10	Sept. 10
BROCCOLI	June 1	June 20	Oct. 15
BRUSSEL SPROUTS	June 1	July 10	Nov. 15
CABBAGE	June 1	July 10	Nov. 15
CAULIFLOWER	June 1	June 20	Oct. 15
STRAWBERRIES	Nov. 30	June 20	--

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

FINANCIAL STATEMENTS

MARCH 31, 1982

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

Board of Directors
Prince Edward Island Crop Insurance Agency

I have examined the balance sheet of the Prince Edward Island Crop Insurance Agency as at March 31, 1982 and the statement of income for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Agency as at March 31, 1982 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

T. Kaptein, C.A.
Auditor General

Charlottetown, Prince Edward Island
June 2, 1982

STATEMENT 1

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

BALANCE SHEET

MARCH 31, 1982

(with comparative figures at March 31, 1981)

ASSETS

	1982	1981
Current Assets		
Cash	$ 9,167	$ 1,282
Accounts Receivable	1,477	6,542
Federal Contributions Receivable	1,476	4,345
Prepaid Interest	-	5,440
Accrued Interest Receivable	86,560	-
Deposit Receipts - Province of P. E. I.	1,075,000	
	$1,173,680	$ 17,609

LIABILITIES AND SURPLUS (DEFICIT)

Current Liabilities		
Credit Balances of Accounts Receivable	$ 257	$ 861
Deferred Revenue	5,041	6,442
Indemnities Payable	8,970	93,857
Advances due to Province of P. E. I.	-	385,000
	14,268	486,160
Surplus (Deficit)		
Balance, Beginning of Year	(468,551)	(392,585)
Income (Loss) for the Year	1,627,963	(75,966)
Balance, End of Year	1,159,412	(468,551)
	$1,173,680	$ 17,609

(Notes 1 to 3 are an integral part of these financial statements)

ON BEHALF OF THE BOARD:

DIRECTOR: _____

DIRECTOR: _____

STATEMENT 2

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

STATEMENT OF INCOME

FOR THE YEAR ENDED MARCH 31, 1982

(with comparative figures for the year ended March 31, 1981)

	1982	1981
Income		
Insurance Premiums - Schedule 1	$1,075,561	$ 863,221
Federal Contributions - Note 2	1,107,420	907,793
Provincial Appropriation - Note 3	183,890	158,802
Interest	120,218	10,892
Bad Debt Recoveries	3,064	-
	2,490,153	1,940,708
Expenses		
Indemnities - Schedule 1	659,512	1,828,423
Administrative Expenses - Note 3	183,890	158,802
Interest on Advances	18,788	19,994
Bad Debt Expense	-	9,455
	862,190	2,016,674
Income (Loss) for the Year	$1,627,963	$ (75,966)

(Notes 1 to 3 are an integral part of these financial statements)

SCHEDULE 1

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

COMPARATIVE SCHEDULE OF PREMIUMS AND INDEMNITIES BY PROGRAM

FOR THE YEARS ENDED MARCH 31, 1982 AND MARCH 31, 1981

CROP	PREMIUMS			INDEMNITIES	EXCESS INDEMNITIES OVER PREMIUMS
	FARMERS' SHARE	FEDERAL SHARE	TOTAL		
POTATOES					
1982	840,599	865,449	1,706,048	465,118	(1,240,930)
1981	641,469	672,369	1,313,838	1,105,388	(208,450)
TOBACCO					
1982	137,084	141,196	278,280	8,952	(269,328)
1981	127,573	135,866	263,439	421,979	158,540
GRAIN					
1982	78,306	80,620	158,926	75,496	(83,430)
1981	77,063	81,479	158,542	212,973	54,431
COLE CROPS					
1982	11,770	12,071	23,841	83,420	59,579
1981	5,051	5,334	10,385	43,812	33,427
RUTABAGAS					
1982	5,692	5,869	11,561	15,159	3,598
1981	6,651	7,033	13,684	8,803	(4,881)
CORN					
1982	1,377	1,440	2,817	2,352	(465)
1981	1,736	1,827	3,563	11,663	8,100
OTHER					
1982	733	775	1,508	9,015	7,507
1981	3,678	3,885	7,563	23,805	16,242
TOTAL					
1982	1,075,561	1,107,420	2,182,981	659,512	(1,523,469)
1981	863,221	907,793	1,771,014	1,828,423	57,409

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1982

1. Appeal Board

By Order-In-Council No. EC220/80 dated March 13, 1980 an Appeal Board was established pursuant to Section 24 of the Crop Insurance Act Regulations. As of June 2, 1982, there have been no appeals granted by the Appeal Board affecting the fiscal year ended March 31, 1982.

2. Federal Contributions

The Government of Canada contributes amounts on a quarterly basis to match the premium income paid by insured farmers. In 1981, the Federal contribution totalled $1.1 million dollars.

3. Provincial Appropriation - Administrative Expenses

The Administrative Expenses were appropriated by the Province of Prince Edward Island and paid through the Department of Agriculture and Forestry on behalf of the Crop Insurance Agency.

Administrative Expenses	1982	1981
Salaries	$153,919	$129,235
Travel	18,149	19,748
Supplies and Administration	8,897	2,332
Fees - Board Members	2,713	5,530
Equipment	212	1,957
	$183,890	$158,802